

# Building intelligence for Strategic Purchasing

The “what” issue

The “how to” challenge

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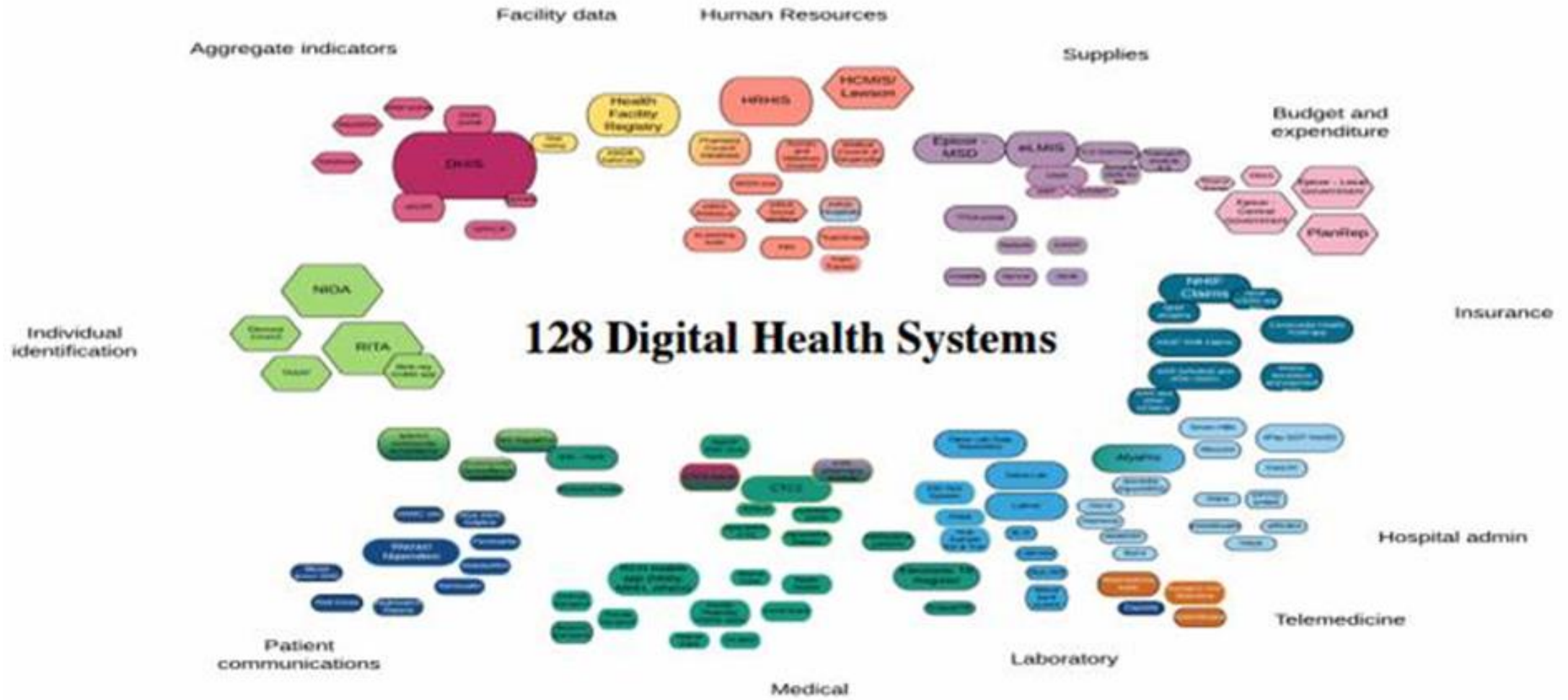


# Outline

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- Why is information central for Strategic Purchasing?
- What information is needed to improve intelligence for SP?
- Where to find the necessary information to develop this intelligence?
- What challenges need to be addressed?
- How to best manage information for SP? What does evidence and experience tell us on how to address these challenges?

# Nakupenda Tanzania – e.g. of fragmentation



Source: DUP Assessment findings, 2016

# Why is information needed for SP?

- Strategic Purchasing : “linking the transfer of funds to **information about the provider activities and performance**” (technical and financial)
- Info **critical for good governance** of the purchasing function
- Information is a **necessary condition for agility** in purchasing



# Why is information needed for SP? (3)

- Ideally, information system for SP connects various data from multiple sources:
  - From multiple data claim systems owned by multiple purchasing agencies
  - From multiple other sources (HMIS, demographics, etc.)

# Group Discussion 1

ENG:

- What are the key decisions to be made in order to move towards more strategic purchasing?
- What are the information needs/requirements, the pieces of data needed to take these decisions? From which sources?

FR:

- Quelles sont les décisions clés qui doivent être faites pour progresser vers un achat plus stratégique?
- Quelles sont les informations nécessaires, les données importantes pour prendre ces décisions? De quelles sources proviennent-elles?

# What information is needed?

## Nature of information

### Key questions

- What to purchase?
- For whom?
- From whom or where to purchase?
- How to purchase?
- What has been purchased?

### Key data to be put in the equation

- *Financial data*: financial transactions/flows – payment
- *Clinical data*: consultation, prescription, diagnostics
- *Patient data*: identity, socio-economic profile, perception & satisfaction
- *Provider data*: nb of visits, location, level, of care,
- Performance: quality of care, treatment outcomes
- *Health system Performance*: health service utilization, availability, accessibility
- *Population health*: epidemiologic profiles
- *Trends*: socio-demographics & socio-economics

# What information is needed?

## Requirements

- Governing the SP function requires data with the following features
  - Accurate, reliable
  - Granular
  - Timely, regular
  - Comparable, aggregatable to provide system-wide insight
- Governing the SP function requires data systems to be:
  - Interoperable / interconnected
  - Adaptable
- Many purchasing reforms introduce new data systems but do not lead to improved information on purchasing
  - Limited in scope



# Where to find the needed information?

A double-fold question

- **Information from SP:** what can we extract from existing data – and first and foremost from claim data – to orient decision on purchasing-related issues?

# Where to find the needed information?

## Claim data

- Central role of claim data
  - Claims contain – or link – information on multiple dimension
  - Claim data is an untapped source of information
  - Claim review is a very relevant first step
- However, claim data is not the one-all be-all solution

# Where to find the needed information?

## Claim data (2)

### **From a managerial perspective**

- Inaccuracy – quality issues
- Inefficient
- Irregularity
- Not sufficiently granular

### **From a system's perspective**

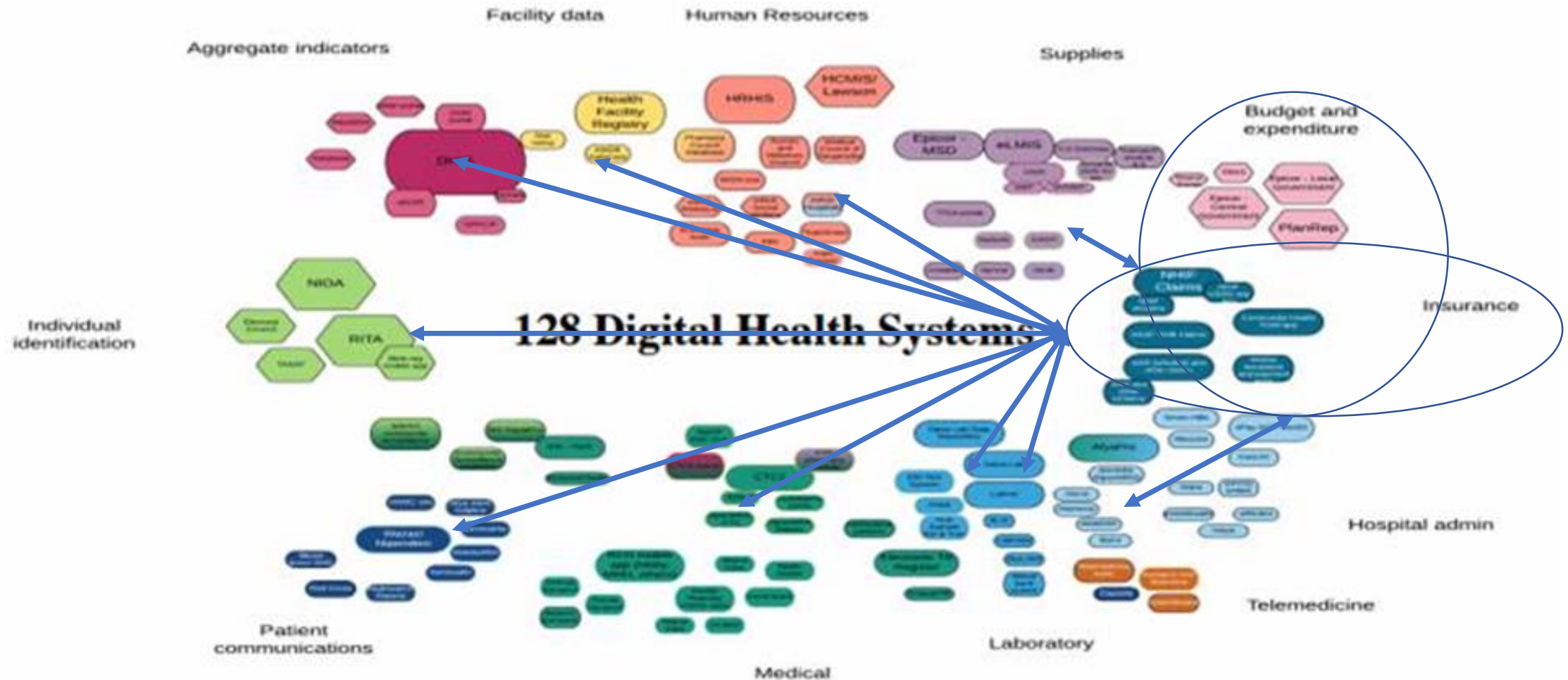
- Limited comparability
- Lack of interoperability
- Limited scope
- Lack of exhaustiveness
- Systemic capacity issue to use claim data for SP
  - Technical capacity
  - Analytical capacity

# Where to find the needed information?

A double-fold question (2)

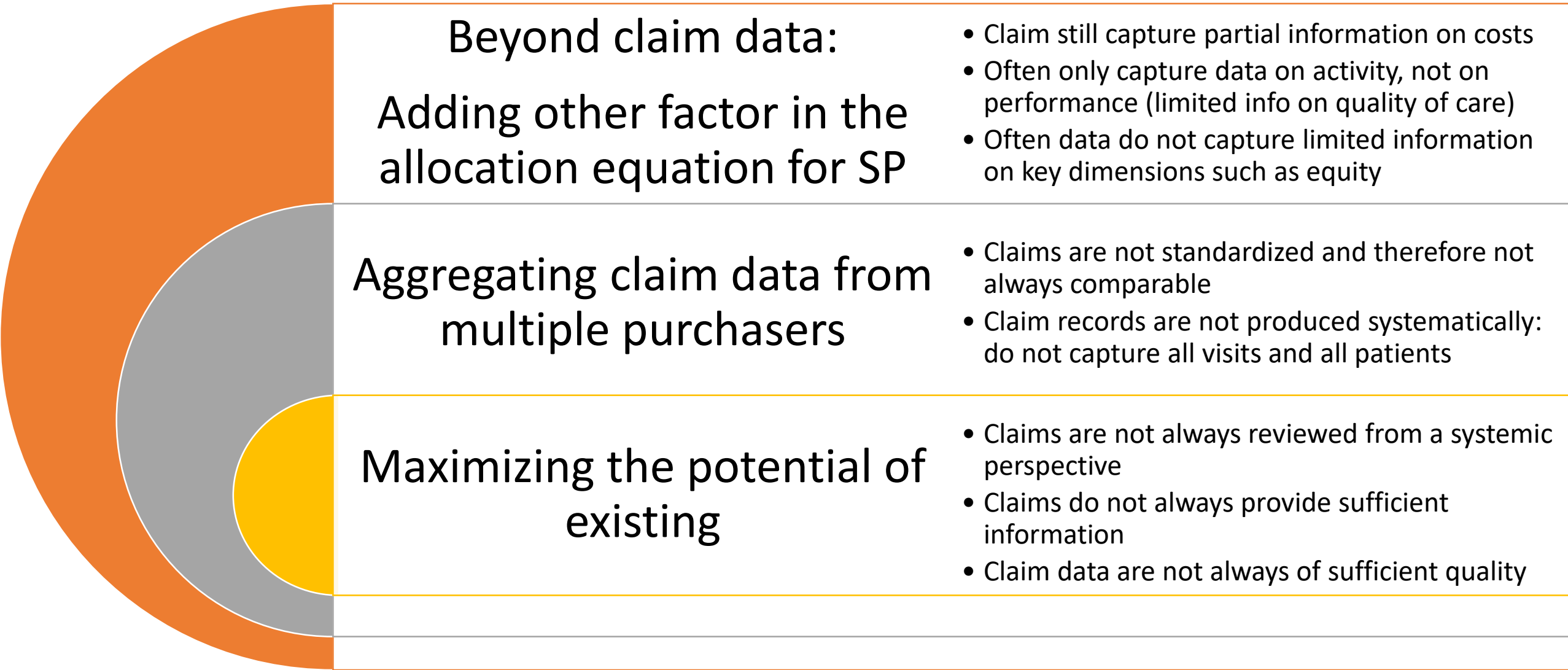
- **Information from SP:** what can we extract from existing data – and first and foremost from claim data – to orient decision on purchasing-related issues?
- **Information for SP:** how to build progressively a fit-for-purpose information system – i.e. serving the SP objectives

# Nakupenda Tanzania – e.g. of fragmentation



Source: DUP Assessment findings, 2016

# Challenges



# “How to?”: towards a roadmap?

**Starting point:**  
Potential entry  
point / areas of  
work



**Policy process**

**Specific objective**



**End point:**  
Efficient and equitable  
fund allocation

**Overall objective:**  
Enable countries to  
capture and use  
intelligence for  
strategic purchaisng



# How to best manage knowledge for SP?

Key policy considerations – review of the evidence

- Topic relatively out of the radar
- Research should inform on three key topics
  - What information should be captured?
  - How can such information be produced?
  - How do we ensure that such information is used?
- Questions not easily amenable to research modalities
  - Complex causal chain between action – e.g. collection of new data – and health system performance



# “How to?”: towards a roadmap?

## End point:

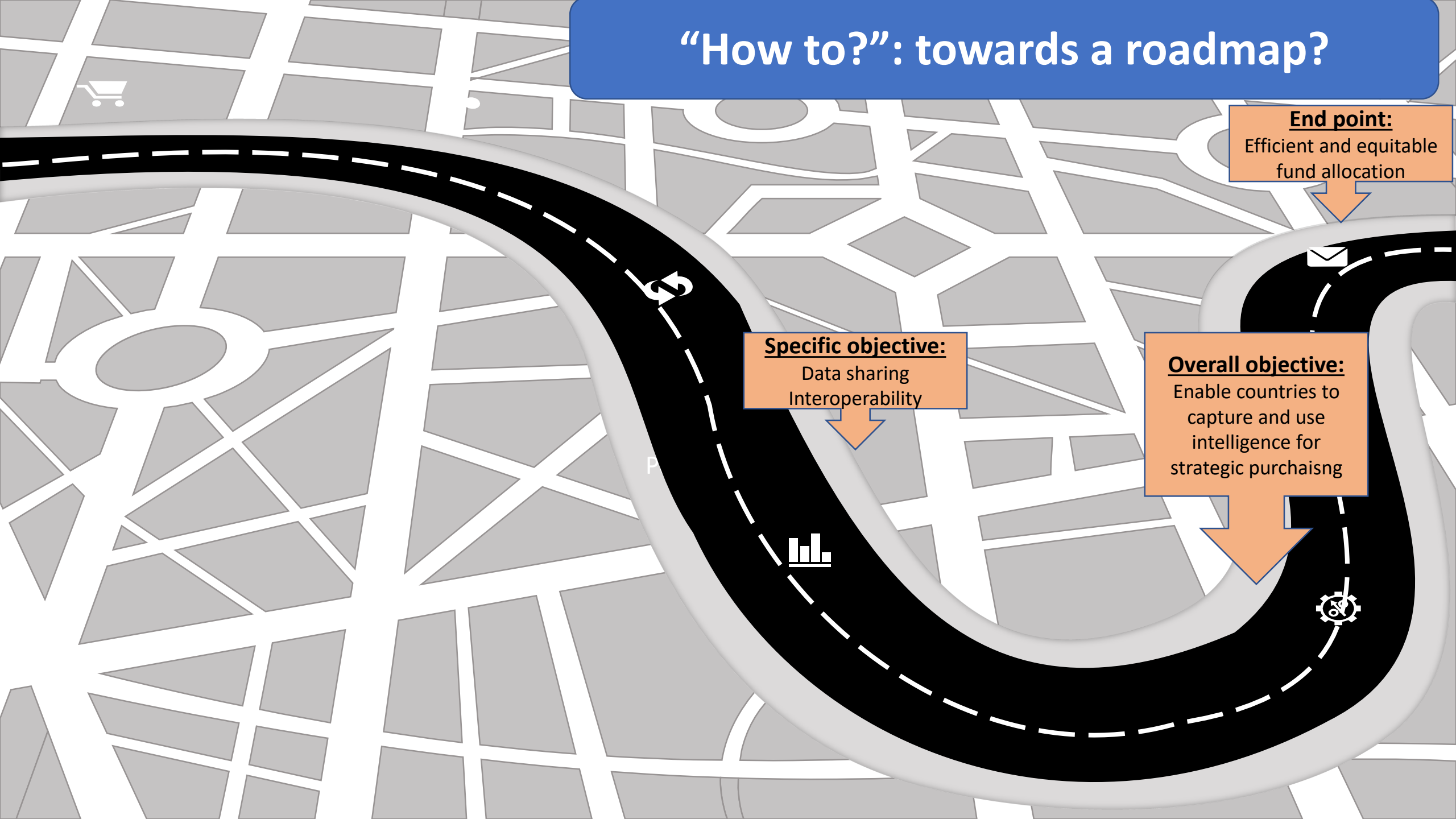
Efficient and equitable  
fund allocation

## Specific objective:

Data sharing  
Interoperability

## Overall objective:

Enable countries to  
capture and use  
intelligence for  
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# How to best manage knowledge for SP?

Key policy considerations – review of experience

- Country illustrations
- 3 “stories”
  - Ghana
  - Rwanda
  - South Korea

# How to best manage knowledge for SP?

## Key policy considerations

- Good information is instrumental for enhanced SP
  - Information exists, but conditions for optimal use are not met
  - Claim data are an underutilized source of information
- It therefore need to be generated in a usable format to produce overall dashboard for SP (Monitoring framework)



# How to best manage knowledge for SP?

Key policy considerations – experience review

- Digitalization is an opportunity, a mean to an end, not a guarantee of success
- Gathering appropriate intelligence for SP is not merely about IT system
- Transformation process needs to be steered
  - If not steered, it may be yet another missed opportunity
  - It is clearly a system and a governance issue

# How to best manage knowledge for SP?

Key policy considerations – Areas of work

- Develop minimum requirements for data systems
  - Norms for quality assurance
  - Standards to ensure interoperability across multiple data system
- Introduce the “right” incentives and policy processes to
  - Encourage data sharing among multiple actors, across institutional boundaries
  - Enforce compliance with requirements, beyond the boundaries of the purchasing function
  - E.g. all-payer single database

# How to best manage knowledge for SP?

Key policy considerations – Process & approach for change

- Develop long-term vision
- Go incrementally
- Stakeholders engagement for sufficient buy-in
- Governance arrangements to steer progressive transformation
  - Condition to steer the multiple bits and pieces of reforms happening in sync

# “How to?”: towards a roadmap?

**Starting point:**  
Potential entry  
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**Policy process**

**Specific objective:**

Data sharing  
Interoperability

**Overall objective:**

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**End point:**  
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# How to best manage knowledge for SP?

## Key policy considerations

- Gathering intelligence: a necessary but no sufficient condition
- 2 key questions:
  - How to ensure that this information impact the policy making process?
  - How to ensure that this information impact the policy decision process?



# Group Discussion 2

ENG:

- How do we raise awareness on this issue?
- How do we expand the knowledge base? What are the key operational research questions to be addressed to develop the knowledge-base?
- What would you identify as priorities?

FR:

- Comment fait-on pour attirer l'attention sur ce problème ?
- Comment élargit-on le corpus de connaissance sur ce sujet? Quelles sont les questions clés de recherche opérationnelle qui doivent-être abordées pour enrichir la connaissance sur ce sujet ?
- Selon vous, quelles sont les priorités?